



**North Carolina Department of Health and Human Services  
Division of Mental Health, Developmental Disabilities and Substance Abuse  
Services**

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Michael F. Easley, Governor  
Carmen Hooker Odom, Secretary

Michael Moseley, Director

December 20, 2004

**MEMORANDUM**

**TO:** Area/County Program Directors

**FROM:** Mike Moseley, Director  
Division of Mental Health, Developmental Disabilities, and Substance Abuse Services

Leah Devlin, Director  
Division of Public Health

**SUBJECT:** SFY 05 Developmental Day Services

This memorandum is to officially convey to you information which was previously communicated to IPRS Coordinators concerning reimbursement for Developmental Day Activities for SFY 05. Information in this communication is the result of the shift in responsibility for local operation of the Early Intervention program to the Division of Public Health (DPH) and funding issues within DPH.

In the past, Developmental Day Activities billed to the Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMHDDSAS) via IPRS for children under 3 years of age have been reimbursed through early intervention funds transferred from DPH to DMHDDSAS. Due to new federal requirements, DPH must provide early intervention services to all children whose families are involved in child protective services investigations. As a result of this requirement and funding commitments for DPH, effective July 1, 2004, Early Intervention funding from DPH to DMHDDSAS is no longer available to reimburse for Developmental Day Activities.

In an effort to mitigate the impact on consumers and families, DMHDDSAS has agreed to allow reimbursement for developmental day services for children under 3 years of age from existing Child DD funds, on an optional basis, for **SFY05 ONLY**. During the IPRS Core Team meeting of October 13, 2004, IPRS Coordinators were advised the area/county programs could enroll eligible children under 3 years of age into the CDECI target population and the IPRS system would process payment for services billed to IPRS under service code YP610 (Developmental Day Activities). This adjustment simply allows area/county programs to utilize their current resources, e.g., Child DD UCR, if they so chose. It is important to note that DMHDDSAS does not have additional funds to allocate for this purpose to replace the lost DPH early intervention funding. This change is reflected on the Array of Services and Target Population Definitions on the DMHDDSAS web page at <http://www.dhhs.state.nc.us/mhddsas/iprsmenu/arrayservices11-0405master.xls>

There is no change in reimbursement for children 3-5 years, covered under the CDSN population group. Reimbursement via IPRS for children ages 3 to 5 years will continue as usual, within available resources, from area/county program allocations from DMHDDSAS.



If developmental day, or a replacement service, continues to be available after July 1, 2005, DPH will identify funds to cover the cost for children under 3 years of age. As of July 1, 2005, DMHDDSAS will no longer reimburse for Developmental Day Activities for children under the age of 3 years.

Should you have questions concerning this communication, please contact Spencer Clark in the Community Policy Management Section at [Spencer.Clark@ncmail.net](mailto:Spencer.Clark@ncmail.net) or (919) 733-4670.

cc: Secretary Carmen Hooker Odom  
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